

## UPDATE ON GOLD WAGE NEGOTIATIONS:

9 MARCH 2022

# IMPORTANT NOTICE TO ALL SA GOLD EMPLOYEES

Dear Colleagues

### Wage dispute - Strike

You will be aware that despite our efforts over nine months of negotiating to find a resolution, including our further amended final offer which was made on 4 February 2022, wage negotiations between the Company and the union coalition comprising AMCU, the NUM, Solidarity and UASA remains in deadlock.

On Monday, 7 March AMCU and the NUM gave the Company 48 hours' notice of a strike at our SA gold operations. The strike will start this evening Wednesday, 9 March 2022 at 18:00.

This strike notice was served on the company on Monday, 7 March 2022 the evening before a further conciliation process in terms of Section 150(2) of the Labour Relations Act (LRA) (S150) was scheduled to take place under the auspices of the Commission for Conciliation, Mediation and Arbitration (CCMA) on Tuesday, 8 March 2022.

The issuing of the strike notice prior to this S150 engagement, signalled the unions' intent even before the parties could engage and was an act of bad faith in our opinion. Under these circumstances, the parties were not able to reach a resolution.

### Company lockout of SA gold operations

We wish to further inform colleagues that, in addition to the strike that has been called by the unions, the Company last night (Tuesday, 8 March 2022) at 22:00 gave unions notice that we will be locking out members of the Coalition unions, employed in the bargaining unit (Cat 4 – 8, Miners & Artisans and Officials).

This decision was not taken lightly and was taken in the interest of achieving a resolution to the proposed strike action and mitigating the negative impact this would have on all stakeholders including employees as soon as possible.

The lock-out will start at 22:00 on Thursday, 10 March 2022 and will remain in place until the Company's final wage offer is accepted. This final offer remains open for acceptance by the unions who represent the majority of employees in the bargaining unit

In light of these events, **we urge ALL employees irrespective of bargaining unit or union affiliation NOT TO report to the SA gold operations from 18:00 on Wednesday, 9 March 2022. No access will be provided to employees reporting for work from that time, except those providing priority services during the strike or as instructed by management.**

The principle of No Work, No Pay will apply to striking employees and locked-out members of the bargaining units of the Coalition unions.

It is very disappointing that the two unions have chosen this course of action despite our ongoing engagement in an attempt to reach agreement on wages since June 2021. The offer we made on 4 February 2022 is fair, taking into consideration current inflationary living costs, the sustainability of the SA gold operations and the interests of all stakeholders for the long term. The offer is final; wage increases that are higher than inflation are not sustainable and cannot be considered.

As a reminder, the final offer is for three years and would mean that:

- Category 4 – 8 employees will receive an average increase of 6.0% in year 1 equivalent to an additional R800 per month; 5.7% in year 2, equivalent to a further R800 per month; and 5.4% in year 3, again equivalent to an additional R800 per month. The R800 includes a R100 per month increase in the Living Out Allowance each year
- Miners, Artisans and Officials will receive an increase of 5% in years 1, 2 and 3

In rand terms, these inflationary linked increases will result in wages for entry-level Category 4 underground production employees increasing by around R34,397 over the three-year period from a current average total guaranteed income of approximately R221,800 per annum to approximately R245,110 per annum.

There are no winners in a strike. Not only would strike action undermine employment and the livelihoods of many people who depend on the SA gold operations, but employees will gain little to nothing from it. We urge colleagues to carefully consider the consequences of strike action on them personally and collectively. **Strike action will only serve to jeopardise the sustainability of our gold operations and, ultimately, their futures. We urge you to engage with your union representatives to end this action.**

### Priority services

Employees who perform priority services, irrespective of union membership and level of employment, will not be affected by the strike and lock out. These employees must continue to report for duty in accordance with the collective agreements regulating priority work.



**RICHARD COX**  
EXECUTIVE VICE PRESIDENT:  
SA GOLD OPERATIONS

Please contact this toll-free number if you have any questions or queries 0800 0070 68



COMMITMENT



ACCOUNTABILITY



RESPECT



ENABLING



SAFETY